Hoarding of food grains by traders

3437. SHRI SYED AZEEZ PASHA:
SHRI D. RAJA:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the rampant hoarding of foodgrains by traders had been the main reason for the low procurement by FCI during the year 2007-08 and shortage of foodgrains in the market and resultants price rise;

(b) if so, whether the Essential Commodities Act has been implemented in the States properly;

(c) if not, what action has been taken for its proper implementation;

(d) whether Government has any proposal to give more teeth to the Act to prevent hoarding by traders; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): (a) to (c) The Procurement of foodgrains by FCI during 2007-08 has been higher than 2006-07. Procurement of wheat increased to 111.28 lakh tonnes in Rabi Marketing Season (RMS) 2007-08 as compared to 92.26 lakh tonnes in RMS 2006-07. Procurement of rice in Kharif Marketing Season (KMS) 2007-08 has been 218.4 lakh tonnes (uptil 31.03.08) as compared to 206.31 lakh tonnes in the corresponding period of KMS 2006-07.

In order to check hoarding of foodgrains and resultant price rise, the State Governments have been delegated powers under Essential Commodities Act, 1955 to impose suitable stock limits on certain essential commodities. To have an assessment of major purchases of foodgrains by private trade and check evasion of taxes, Orders were issued by the Central Government making it mandatory for any company/firm/individual to declare purchases beyond 50,000 tonnes of wheat during RMS 2007-08 and 10,000 tonnes of rice during KMS 2007-08.

The enforcement of the Essential Commodities Act, 1955 lies with the State Governments/ Union Territories who have been delegated powers to take necessary action under the provisions of said Act. The Central Government is regularly monitoring the action taken by States/UTs through monthly report from them. The States/UTs have also been advised to strengthen their enforcement machinery to prevent malpractices in essential commodities and take necessary action against the unscrupulous persons indulging in hoarding and black marketing of essential commodities.

(d) and (e) Central Government *vide* its Notification dated 29.08.2006 have empowered States/Union Territories to fix stock limits in respect of wheat and pulses so as to enable them to take appropriate actions against the hoardings of these two commodities. The validity of this order has been extended upto 31.08.2008. Similarly for edible oils, edible oilseeds and rice States/Union Territories have been empowered to fix stock limits for one year and take necessary action against hoardings and speculation.

The limit for declaration of purchases of wheat has also been reduced from 50,000 tonnes in RMS 2007-08 to 10,000 tonnes in RMS 2008-09.

Streamlining the PDS

3438. SHRI SYED AZEEZ PASHA:
SHRI D. RAJA:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government is considering a proposal to streamline the Public Distribution System, (PDS) adding more essential commodities to the PDS list to check the prices of essential commodities in the open market; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): (a) and (b) Strengthening of Targeted Public Distribution System (TPDS) by streamlining its functioning is a continuous process. The Government has been taking a series of measures to streamline functioning of the TPDS.

In view of rise in prices of essential commodities witnessed during the recent past, Government has decided to import about one million tons of edible oils to allocate them to State and UT Governments at subsidized prices. These edible oils are to be distributed to BPL including AAY families. The State and UT Governments may organize this distribution through the network of fair price shops or other distribution channels.

Revised rates to Andhra Pradesh State Warehousing Corporation

3439. SHRI SYED AZEEZ PASHA: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that there is a request of the Government of Andhra Pradesh to Food Corporation of India to pay revised rates *w.e.f.* 1-4-2002 to Andhra Pradesh State Warehousing Corporation on par wtih other Central and State Warehousing Corporations;

(b) if so, whether any steps have been taken by Government;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): (a) to (c) Yes, Sir. According to FCI, the request of Government of Andhra Pradesh to revise the Godown rates in respect of private investor godowns acquired by Andhra Pradesh State Warehousing Corporation (APSWC) was placed before the Board of Directors of the Food Corporation of India for their approval. The Board of Directors of the FCI in its meeting held on 29.10.2007, decided that the FCI should enter into a dialogue with the State Warehousing Corporations in order to reach a mutually acceptable arrangement and then approach the